

General Letter: 1312
Derivatives Clearing & Settlement Team

İstanbul, 11/11/2016

Subject: Futures and Options Market CCP Procedure Change

Related Brokerage Houses
members: Banks

Dear General Manager,

"Procedure on the Central Counterparty Service to be Provided by Istanbul Settlement and Custody Bank Inc. to Borsa Istanbul Inc. Futures and Options Market and Clearing and Settlement Principles Regarding this Service" was amended in relation to the trading session closing time change from 17.45 to 18.15 in Borsa Istanbul Futures and Options Market.

Summary of the Procedure change is depicted in the attached table and full version of the Procedure with amend amendments can be accessed from our web site under "Resource/Procedure" heading (<http://www.takasbank.com.tr/en/Pages/Procedures.aspx>).

Sincerely yours,

TAKASBANK
ISTANBUL SETTLEMENT AND CUSTODY BANK INC.

Gökhan ELİBOL
Executive Vice President

Mahmut KAYACIK
CEO

Attachment: Procedure Change Table

Current version	New version
<p>Opening of the Accounts ARTICLE 16 – (1) The accounts on which the transactions will be conducted should have been defined in Takasbank system. ... (3) In order a newly opened account to be able to trade in the Exchange; such account should have been opened with Takasbank until 17.45 of the previous trading day. Accounts which have been opened after 17. 45 can only start trading on the second trading day following the account opening. (4) Trading accounts are associated with the depository accounts where collaterals related to transactions conducted on such trading accounts are monitored. The associations between trading and depository accounts are, essentially, made by the Members through Takasbank applications. For the accounts, no association operation shall be allowed after 17.45. The trading accounts that are not linked with any depository account shall not be informed to the Exchange; and such type of accounts cannot trade in the Market.</p>	<p>Opening of the Accounts ARTICLE 16 – (1) (Amendment: Published by the General Letter numbered 1312, dated November 11, 2016) The accounts on which the transactions will be conducted should have been defined in Takasbank system. ... (3) In order a newly opened account to be able to trade in the Exchange; such account should have been opened with Takasbank until 18.15 of the previous trading day. Accounts which have been opened after 18.15 can only start trading on the second trading day following the account opening. (4) Trading accounts are associated with the depository accounts where collaterals related to transactions conducted on such trading accounts are monitored. The associations between trading and depository accounts are, essentially, made by the Members through Takasbank applications. For the accounts, no association operation shall be allowed after 18.15. The trading accounts that are not linked with any depository account shall not be informed to the Exchange; and such type of accounts cannot trade in the Market. </p>

Periods related to the clearing and settlement operations

ARTICLE 21 – (1) (Amendment: Published by the General Letter numbered 1266, dated February 22, 2016) The clearing and settlement periods are applied as given in the below table except official holidays.

Name of the Process	Time
Account Opening/Association Cut-off Time	17.45
Option Exercise Order Cut-off Time	17.50
Settlement Price Announcement Cut-off Time	18.10
Automatic Option Exercise Time (Cash Settled)	18.10
Margin Call	18.45+
Account Updating Process	18.50+

Periods related to the clearing and settlement operations

ARTICLE 21 – (1) (Amendment: Published by the General Letter numbered 1312, dated November 11, 2016) The clearing and settlement periods are applied as given in the below table except official holidays.

Name of the Process	Time
Account Opening/Association Cut-off Time	18.15
Option Exercise Order Cut-off Time	18.20
Settlement Price Announcement Cut-off Time	18.40
Automatic Option Exercise Time (Cash Settled)	18.40
Margin Call	19.15+
Account Updating Process	19.20+